

Form 51-102F3

MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

War Eagle Mining Company Inc
Suite 906 – 595 Howe Street
Vancouver, BC V6C 2T5
("War Eagle" or the "Company")

Item 2 Date of Material Change

June 17, 2010

Item 3 News Release

News release was disseminated on June 17, 2010

Item 4 Summary of Material Change

The Company proposes to raise up to \$1,200,000 by way of a non-brokered private placement offering of the Company.

Item 5 Full Description of Material Change

The Company proposes to raise up to \$1,200,000 by way of a non-brokered private placement offering (the "Offering") of the Company.

The Offering will be priced at \$0.06 per unit with each unit consisting of one common share of War Eagle and one-half common share purchase warrant exercisable at \$0.15. Each full warrant, which may include acceleration provisions, will entitle the holder to purchase one common share of War Eagle for a period of 18 months following the date of closing of the Offering.

The Offering is subject to certain conditions including, but not limited to, the receipt of all necessary corporate and regulatory approvals, including acceptance of the TSX Venture Exchange. The net proceeds of the Offering will be used to acquire a minority interest in a private company that holds an option to acquire a Chihuahua, Mexico-based mineral property. Net proceeds may also be used to source prospective acquisitions and for working capital for general corporate purposes.

The Offering is expected to close on or before June 30, 2010. All common shares issued under the Offering will be subject to a four-month hold period. Subject to regulatory approval, finders' fees may be paid to certain finders. Some Insiders of the Company may purchase shares under the Offering.

Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

Simon Anderson, President and CFO at (604) 681-7010 ext. 114

Item 9 Date of Report

June 17, 2010